

ORIGINAL

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE PETITION OF  
THE CITY OF PARIS, ILLINOIS  
FOR AUTHORITY TO OPERATE A NEW  
WATER UTILITY IN VERMILLION COUNTY  
AND VIGO COUNTY, INDIANA, AND FOR  
APPROVAL OF INITIAL RATES AND  
CHARGES AND FINANCING

CAUSE NO. 43011

APPROVED: MAR 22 2007

**BY THE COMMISSION:**

**Larry S. Landis, Commissioner**

**Aaron Schmoll, Administrative Law Judge**

On March 28, 2006, the City of Paris, Illinois ("Petitioner") filed a Petition with the Indiana Utility Regulatory Commission ("Commission") seeking a certificate of public convenience and necessity to operate a new water utility in Vigo and Vermillion Counties, Indiana, approval of initial rates and charges, approval of financing for the project and Commission consent, pursuant to Indiana Code § 36-2-2-23, for the Vermillion and Vigo County Boards of Commissioners to allow Petitioner to use roads, highways and other property of Vigo and Vermillion Counties, Indiana.

Pursuant to proper notice given as provided by law, a Prehearing Conference ("Prehearing Conference") was held on May 10, 2006, at 9:30 a.m. E.D.T. in Room E306, Indiana Government Center South, Indianapolis, Indiana. Petitioner and the Office of Utility Consumer Counselor ("OUCC") attended the Prehearing Conference. No member of the general public appeared. The Commission issued a Prehearing Conference Order on May 16, 2006, establishing dates for the pre-filing of testimony and exhibits and for an evidentiary hearing.

Pursuant to notice published as required by law, proof of which was incorporated in the record and placed in the official files of the Commission, an evidentiary hearing was held in this Cause on September 6, 2006, at 10:00 a.m. E.D.T. in Room E306 of the Indiana Government Center South, Indianapolis, Indiana. At the hearing, Petitioner and the OUCC appeared. No member of the general public appeared.

At the hearing, Petitioner offered its prefiled testimony and exhibits of the Honorable Craig Smith, Petitioner's elected mayor; John Acree, an environmental engineer with Lamac Engineering Co.; and James D. Motley, an independent certified public accountant retained by Petitioner, which were admitted into the record without objection.

The OUCC offered its prefiled testimony and exhibits of Margaret Stull and Roger Pettijohn, and Petitioner's responses to the OUCC's data requests propounded in this Cause, all of which were also admitted without objection. The OUCC also requested that the Presiding

Officers take administrative orders in Cause Nos. 41388 (April 7, 1999) and 41823 (Sept. 23, 2002), to which Petitioner had no objection.

On October 17, 2006, Petitioner late-filed two exhibits, consisting of the Indiana Department of Environmental Management's approval of Petitioner's Water System Management Plan, and Fayette Township Water Association's letter in support of Petitioner. On February 6, 2007, Petitioner late-filed its construction permit approval from the Indiana Department of Environmental Management.

Having considered all of the evidence and arguments presented in this proceeding, and based upon the applicable law, the Commission now finds:

1. **Statutory Notice and Commission Jurisdiction.** Due, legal and timely notice of the public hearing conducted by the Commission in this Cause was given and published by law. Petitioner is seeking approval to operate, in the State of Indiana, a "public utility" within the meaning of the Public Service Commission Act, as amended, and the Commission has jurisdiction over the parties and the subject matter of this Cause to the extent provided by the laws of the State of Indiana.

2. **Petitioner's Characteristics.** Petitioner is a municipal corporation, organized and existing under the laws of the State of Illinois with its city hall located at 110 West Washington Street, Paris, Illinois 61944. Petitioner has owned and operated its municipal water utility since approximately 1896, which is comprised of a water treatment plant that draws water from a nearby reservoir, and serves approximately 4,200 customers in and around Paris, Illinois.

3. **Relief Requested.** Petitioner seeks from the Commission a Certificate of Public Convenience and Necessity ("CPCN") to operate water utility infrastructure and provide water utility service in Vigo and Vermillion Counties, Indiana, approval of initial rates and charges for water service, approval of financing for the project, and Commission consent, pursuant to Indiana Code § 36-2-2-23, for the Boards of Commissioners of Vigo and Vermillion Counties, Indiana, to grant Petitioner licenses, permits or franchises authorizing Petitioner's use of roads, highways and other property of Vigo and Vermillion Counties, Indiana, for water utility purposes (collectively, the "Proposed Water Utility").

4. **Evidence.**

A. **Petitioner's Case-in-Chief.** Mayor Smith and Mr. Acree each testified that Petitioner needs a new source of drinking water. Mayor Smith testified that the need to replace and update its existing water utility infrastructure has reached a critical stage. He further testified that Petitioner's existing water source is unable to meet its projected future demand due to growth in the industrial and commercial sectors of Petitioner's economy. On cross-examination, Mayor Smith testified as to Petitioner's successful economic development efforts, including the recent location of two large commercial and industrial employers served by Petitioner, the pending location of another large industrial employer in the area and the residential growth resulting from the location of those commercial employers. Additionally, Mayor Smith noted that many Indiana residents work in and around Paris. On re-direct

examination, Mayor Smith testified that economic development opportunities will arise in Indiana as a result of the Proposed Water Utility. According to Mayor Smith, Indiana will also benefit from the location, construction and operation of the Proposed Water Utility because the Proposed Water Utility will have the ability to provide potable water to potential future development in Indiana. Specifically, Mayor Smith cited to a substantial tract of undeveloped land owned by Peabody Coal and located near the Proposed Water Utility, which Peabody contemplates developing as a residential community.

Mr. Acree testified that Petitioner intends to sink wells ("Well Field") and construct a water treatment plant ("Treatment Plant") on property it recently purchased in Vigo County, Indiana. Specifically, the Well Field will be located along the Wabash River near Shepardsville, Indiana. From there, Petitioner intends to transport the raw water approximately two (2) miles to the Treatment Plant where the raw water will be treated via filtration with chlorine and fluoride additive and where the transmission main ("Transmission Main") will be further pressurized to pump treated water to Petitioner. Mr. Acree further testified that the extraction of water from the Aquifer will not negatively affect the water service to residents in and around Vigo and Vermillion Counties, Indiana, or the amount of water available to those residents. He stated that Petitioner's water withdrawals from the Aquifer will not exceed the renewable resources recharge (natural replenishment) rate. Specifically, Mr. Acree testified that the addition of the Proposed Water Utility, which will withdraw up to 3.5 MGD, will have no noticeable impact on water availability.

In addition to providing retail water service in Illinois through its municipally owned utility, Mr. Acree testified that Petitioner intends make available wholesale water service inside Indiana, to Indiana utilities that would be retail providers in Indiana. On cross-examination, Petitioner agreed to refrain from providing retail water service in Indiana without Commission approval; rather, customers along the Transmission Main would be those of an Indiana-based utility. Moreover, Mr. Acree stated that, at its expense, Petitioner will ensure that customers along the route of the Transmission Main will receive water through a distribution main that parallels the Transmission Main. The distribution main will either be connected to the Transmission Main or will be extended from the nearby Fayette Township Water Association, Inc.'s ("Fayette") existing facilities, all at Petitioner's expense. Under either scenario, Petitioner has agreed to convey to Fayette the distribution main and related facilities necessary to provide retail service along the Transmission Main route.

Mr. Motley testified that Petitioner is fiscally sound and has the financial ability to own and operate the Proposed Water Utility. Mr. Motley's testimony also included a breakdown of the Proposed Water Utility's estimated \$15.8 million construction costs, which costs include well and treatment construction costs of \$5.85 million; construction costs for a transmission main and storage tank of \$6.9 million; engineering and inspection costs of \$1.4 million; miscellaneous costs of \$370,000; and a contingency of \$1.2 million. Mr. Motley also presented testimony on the reasonableness of the financing for the Proposed Water Utility. Mr. Motley identified three separate sources of capital Petitioner intends to use: (1) \$4 million, 20-year General Obligation Bonds ("GO Bonds") bearing a 4.1249% interest rate; (2) \$6 million, 28-year maturity bonds with an anticipated interest rate of 5%; and (3) a \$6 million loan from United States Department

of Agriculture Rural Development Program ("RD") or the Illinois Environmental Protection Agency ("IEPA").

Mr. Motley testified that Petitioner's water sales within Indiana will be limited to other Indiana utilities and will preferably be through negotiated wholesale contracts, which contract negotiations will allow wholesale customers to aggregate the total volumes of water purchased from Petitioner for purposes of obtaining the greatest volume discount possible, which discount will benefit the customers of those Indiana utilities – Indiana residents. Absent a wholesale contract, Petitioner agreed as a fail-safe to allow wholesale customers to purchase water at Petitioner's lowest available Illinois rate, as amended from time to time.

**B. OUCC's Case-in-Chief.** Ms. Stull provided testimony in support of the relief Petitioner seeks in this Cause but testified that certain conditions should be placed upon the requested certificate of public convenience and necessity. The conditions identified by Ms. Stull include requirements that Petitioner inform prospective wholesale customers that the Commission can set wholesale rates if the parties cannot negotiate a wholesale contract; that Petitioner file any negotiated wholesale contracts with the Commission; that Petitioner present the question of whether or what property taxes Petitioner will have to pay to the Indiana Department of Revenue ("IDR") for an official ruling; that Petitioner be regulated as a not-for-profit utility; and that Petitioner waive any right to withdraw from Commission jurisdiction. Ms. Stull also testified that Petitioner's financing proposal is a reasonable method for funding the Proposed Water Utility and recommended that the Commission approve Petitioner's financing proposal.

Mr. Pettijohn presented testimony supporting Petitioner's description of the Proposed Water Utility, the Aquifer's ability to supply high quality water to Petitioner's current and future users and the immediate benefits to Indiana residents that will result from the Proposed Water Utility, including the substantial enhancement of fire protection capabilities for the communities located along the Transmission Main as well as a likely reduction in homeowner insurance premiums for homes located near the Transmission Main.

Like Ms. Stull, Mr. Pettijohn testified that it is his position that the Commission should grant the requested CPCN. However, Mr. Pettijohn indicated that it may be appropriate for the Commission to condition Petitioner's use of public rights-of-way upon a local government's right to charge Petitioner for the use of its rights-of-way and that the Commission withhold the requested authority until Petitioner obtains the requisite approvals from IDEM. Lastly, Mr. Pettijohn stated that the Commission should consider conditioning Petitioner's CPCN upon Petitioner's commitment to comply with Indiana land use requirements and upon Petitioner waiving the right to use eminent domain over Indiana property. On cross-examination, Mr. Pettijohn conceded that his position was not that Petitioner should be required to waive the power of eminent domain over Indiana property, but rather only that the Commission should consider such condition.

**C. Petitioner's Rebuttal Case.** On rebuttal, Mr. Acree testified that the Commission should not condition a grant of relief on any of the conditions suggested by the OUCC. Mr. Acree strongly contested any condition on the use of eminent domain. He

distinguished the merchant power plant cases by contrasting those cases to the present case. Mr. Acree noted that the merchant power plant cases cited by the OUCC in Cause Nos. 41388 and 41823 involved wholesale electric generators that had no retail customers anywhere. Here, Petitioner has retail customers, just not in Indiana. Second, Mr. Acree noted that the merchant power plants sought a declination of Commission jurisdiction as contrasted with the operating authority and rate and financing authority sought by Petitioner in this proceeding. Mr. Acree also cited to the lack of opposition in Indiana to the Proposed Water Utility, noting that easement valuation rather than the easement itself is the only issue in the easement acquisition process. Accordingly, Mr. Acree noted that Indiana's newly retooled eminent domain laws would safeguard against eminent domain abuses and provide those landowners fair market value for their property. He also indicated that the Vigo County Commissioners have indicated their support for the Proposed Water Utility.

Mr. Acree testified that without eminent domain powers, the cost of the project will likely increase because an obstinate landowner could refuse to provide an easement, which would drive up costs as a result of designing around the parcel for which no easement could be obtained. Finally, Mr. Acree testified that Petitioner would use eminent domain only as a last resort. Based on the factors cited in his testimony, Mr. Acree stated his strong belief that requiring Petitioner to waive the right to invoke eminent domain in Indiana is unnecessary, implying that such a condition would not serve the public interest.

As to local land use laws, Mr. Acree testified that Petitioner intends to comply with all applicable land use requirements with respect to the location of the Proposed Water Utility and the Transmission Main, and testified that Petitioner's representatives have met with the Vigo County Plan Commission to initiate the rezoning of the affected properties to allow for the location, construction and operation of the Well Field, Treatment Plant and booster station.

Mr. Acree also testified that restricting Petitioner's right to withdraw from Commission jurisdiction is unnecessary to safeguard Petitioner's Indiana customers. In support of Petitioner's position, Mr. Acree cited customer protections inherent in Petitioner's preference for negotiated wholesale water contracts, and the fact that the Commission did not require the City of Georgetown, Illinois ("Georgetown"), to waive the right to withdraw in Cause No. 42064 (April 10, 2002). Mayor Smith also testified that Petitioner would encourage aggrieved customers to seek resolution of wholesale contract issues with the Commission even if Petitioner opted out from Commission jurisdiction.

Mr. Acree also provided testimony that Petitioner should be regulated as a municipally owned utility and not as a not-for-profit utility as suggested by the OUCC. Mr. Acree cited IDEM's treatment of Petitioner as a municipally-owned utility and this Commission's precedent in treating Georgetown as a municipally owned utility to support his argument.

Mr. Motley affirmed Petitioner's preference to use negotiated wholesale water contracts and testified that Petitioner is not opposed to filing executed wholesale water agreements with the Commission. Mr. Motley further testified that Petitioner anticipates that negotiations with potential wholesale customers will result in rates satisfactory to all parties and that Petitioner will, though it believes it is unnecessary, advise potential wholesale customers that they can seek

a ruling from the Commission if negotiations do not result in a satisfactory result for the potential wholesale customer.

Lastly, Mr. Motley questioned the relevancy of whether or what property taxes Petitioner will have to pay to Indiana, and its bearing upon the relief Petitioner seeks in this Cause. Mr. Motley testified that Petitioner believes that seeking a formal ruling from the Indiana Department of Revenue on this issue will likely cause delays in moving the Proposed Water Utility along and is unnecessary as a condition of being granted Indiana operating authority.

## **5. Discussion and Findings.**

**A. Certificate of Public Convenience.** Petitioner and the OUCC presented testimony demonstrating that the Proposed Water Utility is in the public interest. The Proposed Water Utility will satisfy the public convenience by making high quality, potable water available to Indiana residents along the route of the Transmission Main and by substantially enhancing the fire protection capabilities in Indiana along the Transmission Main. Thus, the Proposed Water Utility will be convenient to the public both by providing a source of potable water and by enhancing fire protection along the Transmission Main. We note that Petitioner late-filed a letter of intent with Fayette that contemplates a future wholesale supply agreement between Petitioner and Fayette. The letter of intent also expressed Fayette's support for Petitioner's project and belief that Petitioner's Proposed Water Utility was in the public interest. Specifically, Fayette noted that "the enhanced fire protection, the availability of an additional, emergency source of water supply and the availability of a supplemental source of water supply to meet future area demand will greatly benefit the area." Late-Filed Letter of Intent, at 1.

Moreover, Petitioner has demonstrated that the utility infrastructure in Indiana is necessary to proceed with the Proposed Water Utility. Petitioner presented testimony that Petitioner had reviewed numerous options for a source of potable water within the State of Illinois, but found no feasible options. Thus, the only viable option for Petitioner is to obtain water from wells in Indiana. Petitioner also presented testimony that the Aquifer has sufficient capacity to serve current and future users of the Aquifer. Petitioner further presented undisputed testimony describing the Proposed Water Utility and the estimated costs for the water utility assets. Petitioner also agreed to late-file proof that its capacity development plan (the "Capacity Plan"), prepared pursuant to 327 IAC 8-3.6-1 *et seq.*, has been approved by the IDEM. Petitioner satisfied this latter condition by late-filing the IDEM's letter approving Petitioner's Capacity Plan on October 17, 2006. Petitioner also late-filed IDEM's approval of its construction permit on February 6, 2007.

Based upon the testimony and other evidence of record, the Commission finds that public convenience and necessity require the operation of water utility assets in Indiana by Petitioner. However, Petitioner's authority to furnish wholesale water service to any Indiana entity, such as Fayette, is conditioned upon Petitioner filing with the Commission's Water/Sewer Division a wholesale contract with such Indiana entity.

**B. Approval of Financing.** Petitioner's witness, Mr. Motley, testified as to the proposed financial plans and feasibility of Petitioner to operate the Proposed Water Utility. Mr.

Motley also testified as to the cost estimates for constructing and operating the Proposed Water Utility. The OUCC's witness, Margaret Stull, testified to the reasonableness of Petitioner's estimated construction costs and financing proposal. Ms. Stull also recommended that the Commission approve Petitioner's financing proposal. Based upon the testimony of these witnesses and other evidence in the record, the Commission finds that Petitioner has the financial ability to construct, operate and maintain the Proposed Water Utility in Vigo and Vermillion Counties, Indiana, and find that Petitioner's proposed financing should be approved.

**C. Wholesale Water Contracts.** Petitioner, through the testimony of Mayor Smith and Mr. Acree, agreed to refrain from providing retail water service in Indiana without further Commission approval. Rather, prospective customers along the Transmission Main would be served by an Indiana-based utility. Through the testimony of Mr. Motley, Petitioner agreed that its water sales within Indiana will be pursuant to negotiated wholesale contracts. In post-hearing filings, Paris withdrew its request for authority to establish wholesale rates in Indiana.

When negotiating its wholesale contracts, Petitioner has agreed to inform prospective wholesale customers that they may request a ruling from the Commission on the rate if the parties cannot negotiate a wholesale contract. Petitioner has also agreed to file copies of negotiated wholesale contracts with the Commission. Mayor Smith testified that Petitioner will honor the commitments identified in this Paragraph 5.C even if Petitioner withdraws from the jurisdiction of the Commission.

Based upon the testimony of these witnesses and other evidence in the record, we find that Petitioner's use of negotiated wholesale contracts is approved. We further find that Petitioner shall inform prospective wholesale customers that the Commission can set wholesale rates if the parties cannot agree on such a wholesale contract, even if Petitioner withdraws from Commission jurisdiction. Finally, we find that Petitioner should file copies of negotiated wholesale contracts with the Commission's Water/Sewer Division even if it withdraws from Commission jurisdiction.

**D. Proposed Conditions.**

**1. Eminent Domain.** The OUCC's testimony recommends that the Commission consider conditioning Petitioner's authority on Petitioner waiving the right to exercise eminent domain. On cross-examination, however, Mr. Pettijohn conceded that he did not advocate such a condition, but only recommended that the Commission consider it.

Petitioner argued that absent eminent domain authority, a single, obstinate landowner could disrupt the design and construction of the Proposed Water Utility; and that Indiana's new eminent domain procedures will protect landowners from abusive eminent domain practices. Petitioner also agreed to limit its eminent domain authority solely to purposes related to the Proposed Water Utility and for no other reason or project without further Commission approval.

Based upon the record evidence, we find that broadly conditioning the use of Petitioner's eminent domain authority would not serve the public interest, and we therefore decline to condition such use of eminent domain except that Petitioner may use eminent domain solely for

purposes related to the Proposed Water Utility, and for no other purpose without further Commission approval.

2. **Local Land Use Requirements.** Petitioner's witness, Mr. Acree, testified that Petitioner intends to comply with all applicable land use requirements in the location, construction and operation of the Proposed Water Utility. Mr. Acree further testified Petitioner has met with the Vigo County Plan Commission and the Vigo County Commissioners and those bodies have indicated their receptiveness to the Proposed Water Utility. Moreover, Mr. Acree testified that the benefit to Indiana residents resulting from the Proposed Water Utility and Petitioner's ongoing efforts to comply with local land use requirements weighs against the Commission stripping Petitioner of the zoning exemption, even though Petitioner currently has no intention of taking advantage of such exemption. The OUCC did not present testimony suggesting otherwise.

Based upon the record evidence, we find that Petitioner's ongoing efforts to comply with local land use requirements and the benefit to Indiana residents resulting from the Proposed Water Utility weigh against the Commission stripping Petitioner of the zoning exemption, even though Petitioner currently has no intention of taking advantage of such exemption. Accordingly, we decline to condition Petitioner's certificate of public convenience and necessity with restrictions to the public utility zoning exemption.

3. **Waiver of Right to Opt Out.** The OUCC advocated stripping Petitioner of the ability to opt out of Commission jurisdiction. Petitioner presented testimony supporting its position that conditioning its CPCN upon waiver of Petitioner's right to withdraw from Commission jurisdiction is not required to safeguard any of Petitioner's Indiana customers that Petitioner may acquire in the future. Petitioner also testified if it were to withdraw from the jurisdiction of the Commission, such withdrawal would not prevent a wholesale customer seeking service from Petitioner to request assistance from the Commission if negotiations fail to achieve a wholesale contract agreement. Mayor Smith expressly testified that wholesale customers with grievances against Petitioner should be encouraged to seek relief from the Commission. We find that this commitment to Commission jurisdiction provides the Commission with a basis for ongoing jurisdiction over Petitioner with respect to its wholesale contracts regardless of whether Petitioner otherwise opts out from Commission jurisdiction.

The Commission finds that Petitioner has committed to allowing wholesale customers seeking to purchase water from Petitioner to petition the Commission for a determination if contract negotiations falter. The Commission conditions its approval in this Cause on Petitioner's commitment to consent to Commission jurisdiction on issues involving wholesale contracts and customer complaints. Therefore, the Commission finds that Petitioner should not be required to waive the ability to opt out of Commission jurisdiction because of Petitioner's commitment that safeguards the public interest even if Petitioner opts out. This same condition shall also apply to Petitioner's use of eminent domain and the provision of retail service in Indiana; even if Petitioner withdraws from Commission jurisdiction, it shall not exercise eminent domain outside the scope of the Proposed Water Utility approved by this Order, and it shall not provide retail service in Indiana without prior approval from this Commission.



4. **Rights-of-Way.** The OUCC indicated that the Commission might condition the use of the public right-of-way but did not advocate that such a condition be imposed. Mr. Acree testified that Petitioner intends to locate the Transmission Main and other facilities in easements unless the use of a county right-of-way is necessary, e.g., at a road crossing. Mr. Acree testified that such a condition should be left to local government. Under Indiana Code § 36-2-2-23, county commissioners may grant utilities a license, permit or franchise to use county property only with the consent of this Commission. We find that this Commission should not impose conditions on the use of the public right-of-way. We also give our consent to the Boards of Commissioners of Vigo and Vermillion Counties to grant Petitioner such licenses, permits or franchises as may be necessary for Petitioner to use county roads, highways or other county property pursuant to Indiana Code § 36-2-2-23.

5. **Indiana Department of Revenue ("IDR") Formal Opinion Unnecessary.** The OUCC recommended that the Commission require Petitioner to present the question of whether or what property taxes Petitioner will have to pay in Indiana to the IDR for a formal opinion. In rebuttal, Petitioner questioned the relevancy, if any, of such a ruling because it bears no relation to the relief requested in this Cause. We find that a formal ruling from the IDR on this issue is unnecessary as a condition of being granted Indiana operating authority. Thus, we find that Petitioner's certificate of public convenience should not be, and is not, subject to Petitioner seeking a formal determination from the IDR as to whether or what property taxes it may have to pay in Indiana.

**IT IS THEREFORE ORDERED BY THE INDIANA UTILITY REGULATORY COMMISSION, that:**

1. Petitioner, City of Paris, Illinois, shall be and hereby is granted a Certificate of Public Convenience and Necessity to provide water utility service in Vigo and Vermillion Counties, Indiana. This Order shall be the sole evidence of the Certificate granted hereby to Petitioner.

2. Petitioner is hereby granted consent pursuant to Indiana Code § 36-2-2-23 from this Commission for the Boards of Commissioners of Vigo and Vermillion Counties, Indiana to grant Petitioner licenses, permits or franchises authorizing its use of roads, highways and other property of Vigo and Vermillion Counties, Indiana for water utility purposes.

3. Petitioner is hereby granted authorization to issue bonds to finance the extension of its water system into Vigo and Vermillion Counties, Indiana, as described herein.

4. Petitioner is hereby granted the right to use negotiated wholesale contracts and is ordered to inform prospective wholesale customers that they may seek a Commission determination of a wholesale water rate if the parties cannot negotiate a wholesale contract. Petitioner shall file with the Commission's Water/Sewer Division a copy of each negotiated wholesale contract into which it enters with Indiana entities.

5. Petitioner is granted the right to take, acquire, condemn and appropriate land, real estate or an interest therein, solely for the purpose of carrying out its Proposed Water Utility,

together with all accommodations, rights and privileges deemed necessary thereto, consistent with Finding Paragraph 5.D.1. herein.

6. The rights granted to Petitioner are granted and/or otherwise conditioned consistent with the Commission's findings set forth in Finding Paragraph 5 herein.

7. In accordance with Indiana Code § 8-1-2-85, Petitioner shall within thirty (30) days of receipt of the bond proceeds authorized herein submit to the Secretary of the Commission a fee of twenty-five cents (\$0.25) for each \$100 of bonds issued, to be paid into the State Treasury and deposited into the Commission public utility fund.


8. In accordance with Indiana Code § 8-1-2-70, Petitioner shall pay the following itemized charges within twenty (20) days from the date of this Order to the Secretary of this Commission, as well as any additional costs which were or may be incurred in connection with this Cause:

Commission charges	\$1,873.27
OUCC charges	\$ 38.07
<b>TOTAL</b>	<b>\$1,911.34</b>

9. This Order shall be effective on and after the date of its approval.

**GOLC, LANDIS, SERVER AND ZIEGNER CONCUR; HARDY ABSENT:**  
**APPROVED: MAR 22 2007**

**I hereby certify that the above is a true and correct copy of the Order as approved.**

  
**Connie S. Childress**  
**Acting Secretary to the Commission**